FOR MYSORE STATE

58,004—27-10-47.

Development (1950) Department.

Ms SERIES.

G.O. NO. 1951

Dated 15.5.50

20

Rs 1/4/4

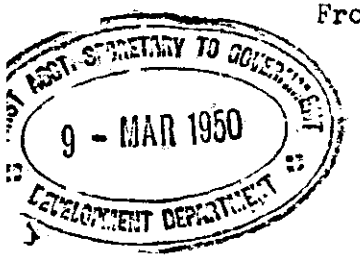
[Despatch Abstract]

Mines Mining lease Manganese (Bellary) - Harpanahalli T/k Alagawada Block 45.00 acres Granted to Sri C.S Krishnaswamy Transfer to M/S Prithvi Mining Syndicate Madras Sanctioned

REVENUE DEPARTMENT.
Subject.

MINING - Mining lease - Manganese (Bellary) - Harpanahalli taluk - Alagilavada Block - 450 acres - Granted to C.S.Krishnaswami Iyer - Transfer to the M/S Prithivi Mining Syndicate Ltd., Madras.

Madras. Ref.L.1350/50-1. Dated 7-3-1950.



From

Sri N.C.Thomas B.A.,
Joint Secretary, Board of Revenue.

Sri V.N.Kudva.,I.C.S.,
Commissioner of Commercial Taxes.

DN 20513J/50
9.3.50

Read: From the Collector of Bellary No.Rc.5595/49 A1 dated 27-2-50;

Read: Board's L.Dis.319/50 dated 8-2-50.

Sri C.S.Krishnaswamy Iyer, Madras has credited Rs.100/- in the Reserve Bank of India Madras in chalan Number nil dated 20-2-50 being the fee prescribed in Rule 37 of the Mineral concession rules, 1949. The chalan is enclosed. His application and the reference of this office dated 14-1-50 returned with Board's Reference cited above are resubmitted herewith.

True Copy

Reference:-

Submitted to the Government.

2.The Board invites the attention of the Government to the

2

correspondence ending with their Endt No.6951 J/50-1 (Dev) dated 31-1-50. The applicant has credited Rs.100/- being the fee prescribed in Rule 37 of the Mineral Concession Rules, 1949.

for Joint Secretary.

To the Secretary to Government, Development Department, Madras (with enclosures).

A.P.7-3.

Revenue Department.

From
E.C.Allardice Esq., I.C.S.,
Collector of Bellary.

To
The Secretary to Gove nment,
Development Department,
M a d r a s.

Through

The Secretary to the
Board of Revenue,
M a d r a s.

Ref.No. 5595/59 A1 dated 14.1.50.

Sir,

Sub: Mining - M.L. Manganese (Bellary) Harpanahalli taluk - Alagilavada Block - 450 acres - granted to C.S. Krishnaswami Iyer - Transfer to the Prithvi Mining Syndicate Ltd., Madras.

Ref: Board's L.Mis. L2168/49 dated 14.11.1949.

I enclose the joint application of Sri C.S.Krishnaswami Iyer (Transferor) and the Prithvi Mining Syndicate Ltd., Madras (Trqansferee) under rule 37 of the Mineral Connessional Rules 1949. The lessee (C.S.Krishnaswamy Iyer) has not sent a chalan for Rs.100/- being the fees for the transfer of the lease as required by the said rules for want of sanction from Government. He was granted a mining lease in Board's proceedings Mis. 2233 dated 10-8-39 to mine manganese ore in 'B' Block of Alagilavada village over an extent of 450 acres, the period of lease being for 30 years from 29-4-40. If this extent is transferred to the Prithvi Mining Syndicate Ltd., Madras, it will be having 812 acres altogether, as the company is said to possess mining leases already to the extent of 362 acres for various other minerals. Thus it will be seen that the extent will be short of the 10 square miles prescribed under rule 35 of the Mineral concessional rules. Rule 38 of the said Rules is also satisfied as the shape of w the area is not altered. In the circumstances, I recommend that the transfer of lease of Sri C.S.Krishnaswamy Iyer may be transferred to the Prithvi Mining Syndicate Ltd., Madras.

16/1/50

For Collector.

VK.16.1.

Madras,
3rd Jany 1950.

From
Prithvi Mining Syndicate Ltd.,
2/6, Second Line Beach, MADRAS

AND

Sri C.S.Krishnaswamy Aiyar, B.A.,B.L.,
12, Singanna Naick Street, G.T., MADRAS.

To
The Secretary,
Revenue Department,
The Government of Madras,
MADRAS.

Through
The Collector,
BELLARY.

Sir,

Application for permission for assigning of mining leases under the Mineral Concession Rules 1949 (Rule 37)

We beg to apply for permission for assignment of a mining lease (Document No.1058 of 1940 of the Registrar of Bellary, Ananthapur) held by the above Mr.C.S.Krishnaswamy Aiyar - in favour of the above-mentioned Prithvi Mining Syndicate Ltd. The lessee, Mr.C.S.Krishnaswamy Aiyar desires to assign the lease of the said mines in favour of the Prithvi Mining Syndicate Ltd., a private limited concern which holds a certificate of approval from the Government of Madras for the mineral specified in this lease (vide renewal notification dated 12th March 1949 - Page 264 of Part II of the Fort St. George Gazette, dated 22.3.1949). The Prithvi Mining Syndicate Ltd., is desirous of acquiring the said lease subject to the sanction of the Government of Madras.

The Prithvi Mining Syndicate Ltd., holds mining leases to the extent of 362 acres for various other minerals. The extent under this assignment prayed for is about 450 acres. Should this assignment application be favourably considered, the Prithvi Mining Syndicate Ltd. will only hold 812 acres all together, which is far short of the 10 square miles prescribed under rule 35 of the Mineral Concession Rules 1949. The shape of the area conforms to Rule 38.

Since the object of this assignment is to bring themines under operation as early as possible, this assignment is prayed for to enable the Prithvi Mining Syndicate Ltd., to commence work at an early date. In this application the original Lessee (Mr.C.S.Krishnaswamy Aiyar) from the Government and the proposed assignee, the Prithvi Mining Syndicate Ltd., have joined in making this request.

We are prepared to pay the prescribed fee of Rs.100/- for the transfer order.

Praying for early favourable orders,

Yours faithfully,
FOR THE PRITHVI MINING SYNDICATE LTD.

T. S. Krishnaswamy

DIRECTOR

(C. S. KRISHNASWAMY AIYAR)

C.S. Aiyar

1/

Provincial / Central.

M.T.C. 10.

~~ORIGINAL~~ Triplicate

P.

T. & A. 218

Challan for payment of money into the Reserve Bank of India at Madras / Imperial Bank of India at

No.

By whom paid and name (or designation) and address of the person on whose behalf money is paid	On what account paid or authority, if any.	Amount. Rs.	A.	P.	Head of account
C.S. Krishnaswamy Ayyar, 12, Singaram Street, G.T. Madras	Fee prescribed in Rule 37, Mineral Concession Rules 49	100	.	.	Land Revenue VII
	Total (in words and figures) one hundred only	100	.	.	

Signature of Remitter. CSKayyar

* Head of account should be filled in by the Departmental Officer or the Treasury. In cases where direct credits at Bank are permissible the column "Head of account" will be filled in by the Treasury Officer or the Accounts Officer, as the case may be, on receipt of the Bank's Daily sheet. M.T.O.

Correct. Receive and grant receipt.

T. & A. 2181

Signature and full designation of the officer ordering the money to be paid in

Reserve Bank of India at Madras *
Imperial Bank of India at

} Entered—Correct.

RESERVE BANK
PUBLIC ACCOUNTS DEPT.
CASH RECEIVED.
20 FEB 1950

The 194

Initials of Treasury Accountant.

Bank Accountant.

Received Rupees

Cashier *Cashier* *Accountant*

Agent.
Accountant.

Dated 194

* To be used only when a departmental officer passes the chalan for a payment by a private party.

Devt 4/10.

[C No. 20513 J (50)]

Sub Mines - Mining lease - Manganese - (Bellary) - Harpanahalli Taluk - Hagedwada Block - 450-00 acres Granted to Sri C.S. Krishnaswamy Transfer to M/S Prithvi Mining Syndicate Madras - Sanctioned

Ref Bd's Rep L-1350/50-1 dated 7.3.50

Order (Ms) 1951 dated 15.5.51

The Govt have no objection to the transfer in favour of M/S Prithvi Mining Syndicate Madras of the mining lease for manganese granted to Sri C.S. Krishnaswamy Iyer over an extent of 450-00 acres in 'B' Block of Hagedwada village, Bellary Dist. for a period of 30 years from 29.4.40. The transfer shall be subject to the execution of an agreement by the transferee binding himself to the terms and conditions governing the lease.

2. The Board of Rev. is requested to forward a set of draft of an agreement as at pp 13-4 - 13-5 of the Madras

~~X~~ 10

Mining Manual ~~after making~~ with suitable modifications which may be required ~~under~~ by the Superintendent to the Mineral Concession Rules 1949 and ~~also after embodying the required~~ ~~necessary~~ ~~entries~~ ~~therein~~ and entering the particulars in the draft of the document by which the lease was granted to Sri C.S. Krishnaswamy Iyer

Prepared by the Govt Solicitor and send it to Govt for approval

D.C. 6.5.50

6.5.50

8330

DPD RB 23/5

10

Board of Rb

CB. 1.12.50

Entered in C.B. as S.No. 214.

DEVT. DEPT. 2282/50 J

Serial Number. 214

Date of entry in the Registrar 30.5.50

Subject Mins Mining lease Manganese (Belladi) Haubarwadi taluk Khanapur A Block - Transfer of M/s Ruttur Mining Syndicate

FIRST ASST. SECRETARY TO GOVERNMENT
4 DEC 1950
DEVELOPMENT DEPARTMENT

Old current No. 2053 J/50

No and date of Govt. order authorising the entry. Cons 1951 15-5-50.

Date when further action is to be taken. 1.12.50

122283

Dev I.

B.

Please see the C.B. extract on plaint Civil 1951 Dev dt 15-5-50 required for its disposal has been put up in another file bearing Cr. 88/75 I/50 and sent to Home Legal and Fin Depts on 13.11.50. and not yet been received back in this Deptt. This may therefore lie over till the other file is received back or till 1.1.57 whichever is earlier

A

18/12/50 Kha 18.12.50.

by 20/12/50

A' above. The main file has not yet been received from other Depts. Many Depts have also been reminded on 30.12.50. This may therefore continue to lie. till 17.1.51

Cr. 88/75 I/57

5.1.57 Kha 5.1.57.

by 5/1/57

122283

Dw 5.

B

Please see the CB. extract on plaint. The CB entry was made with reference to para 2 of Govt Dw & 15 5.50. A draft form of agreement has since been approved by Govt and Communicated to the Board for adoption. In the circumstances no action is called for here. May be lodged and added to the G.O at (K)

17/1/57 17.1.57.

17.1.57

H? - 10 cf - 7 (K) 1951

Co 9317/2757 — (E)

Development Department

Sub: Mines - Mining lease - Manganese - (Bellary) - Harpanahalli Taluk - Alagilavada Block - 450-00 acres - Granted to Sri C.S. Krishnaswami Iyer - Transfer.

Ref: Board's Ref/L.L. 1350/50-1 dated 7.3.1950.

...

To A.S.

One Sri C.S.Krishnaswami Iyer was granted a mining lease for manganese over an extent of 450 acres in 'B' block of Alagilwada village Bellary Dist for a period of 30 years from 29.4.40. The lease period runs upto 29.4.1970. The lessee has now applied for the transfer of the lease in favour of M/S The Prithvi Mining Syndicate for the unexpired period of the lease. Please see the joint application at p.5 C.F. The fee of Rs.100/- prescribed in Rule 37 of the Mineral Concession Rules has also been paid by the parties. The Collector of Bellary reports that the conditions specified in Rule 37 of the Rules are satisfied in this case. The certificate of approval of M/S Prithvi Mining Syndicate has not been renewed for 1950. The company's application is pending with the Board of Revenue. Rule 37 states that the transferee should also hold a certificate of Approval. This may lie over till the certificate of Approval held by M/S The Prithvi Mining Syndicate is renewed for 1950.

Remind the Board during letter in the L.F. the P.M. Syndicate says it had applied for a C.A. more than 2 months back

Also note whether the question of imposing any special condition as referred to in sub rule (2) of Rule 41 arises in the case of transfer of such licences. If it is necessary, a report may be called for from the Board even now

25.3.50

2/

To A.S.

20513

(Does on plaint)

A on plaint The Bd. of Rev. has been reminded separately

B on plaint Rule 31 of the Mineral Concession Rules, 1949 does not give any powers to the Govt to prescribe any conditions at the time of the transfer of a lease. The lease under reference was sanctioned by the Bd. of Rev under the Travl. Govt's mining Rules and the Special conditions of the type mentioned in Rule 41(2) are already ~~[illegible]~~ Contained in the leases already granted

30.3.50 31.3.50 There seems to be no objection to the first according sanction, under Rule 37, to the transfer of the mining lease

orders may be taken after the Co. has been granted a certificate of Approval - by 15.5.50. LO.

Rep 14.5.50 Y.L.S.

A certificate of Approval has since been issued to the Co.

Put up the file for orders

Rep 15.5.50

CN

Put up a... c... Ins... Secy, Rev. ... ED ... ...

Development Department (J)

To A.S.

One Sri C.S. Krishnaswami Iyer was granted a mining lease for manganese over an extent of 450 acres in 'B' block of Alagilwada village Bellary District for a period of 30 years from 29.4.40. A period of 10 years has already elapsed and the lease period runs upto 29.4.1970 The lessee has now applied for the transfer of the lease in favour of M/S The Prithvi Mining Syndicate for the unexpired period of the lease. Please see the joint application at p.5 c.f. The fee of Rs.100/- prescribed in Rule 37 of the Mineral Concession Rules has also been paid by the parties. The Collector of Bellary reports that the conditions specified in Rule 37 of the Rules are satisfied in this case. The certificate of Approval of M/S Prithvi Mining Syndicate has been renewed for 1950. There seems to be no objection in agreeing to the transfer. The following remarks are however, called for before the Govt. issue orders sanctioning the transfer.

The mining lease under reference was sanctioned by the Board of Revenue under the Provincial Government's mining Rules which are no longer in force now. Under those Rules and whenever a lessee transferred or assigned a lease, the transferee was required to enter into an agreement with the Govt. for the proper observance of the terms and conditions agreed upon by the original lessee - vide the draft form of agreement at pp.154-155 of the Madras Mining Manual. But Rule 37 of the Mineral Concession Rules, 1949 does not prescribe any agreement to be executed when a lessee transfers the lease. The question of executing an agreement similar to the one at pp.154-155 while transfering a lease was, however, examined. Legal Department have observed that no such agreement need be executed under the new Rules as provision has already been made in the Rules for enforcing the proper observance of the terms and conditions by the transferee also - vide conditions (xiv), (xv) and (xvi) in Rule 41(1) of the Mineral Concession Rules, 1949. The lease proposed to be transferred by Sri C.S.Krishnaswamy was granted under the old Mining Rules and the terms and conditions have

4/

2513

not been brought into conformity with the Mineral Concession Rules, 1949. Hence, no such provisions as those referred to above are contained in the lease deed. The question now for consideration is as to how to enforce the terms and conditions of the lease against the transferee in the absence of specific provisions in the lease deed like those mentioned ~~deed like those mentioned~~ in Rule 41(1) (xiv), (xv) (xvi) of the Mineral Concession Rules, 1949 and in the absence of an agreement binding the transferee also to the terms of the lease. It is doubtful whether a mere order sanctioning the transfer in favour of the Prithvi Mining Syndicate will be sufficient for proceeding against the transferee should there be any breach of covenants of the lease deed in future. The provisions in the agreement at pp.154-155 of the Mining Manual do not appear to be inconsistent with the present Mineral Concession Rules. Legal may therefore be requested to advise ~~it will be in~~

(i) whether it will be in order if the Government ~~demand~~ require the execution of an agreement in the form at pp.154-155 of the Mining Manual; or

(ii) whether a mere order sanctioning the transfer will suffice in this particular case

19.4.50 19.4.50

20.4.50

LEGAL DEPARTMENT.

In the circumstances stated above a mere order sanctioning the transfer will not be sufficient in this case. The best thing is to ask the transferee to execute a lease deed containing the conditions specified in rule 41(1) and any other conditions that may be required under rule 41(2).--before Govt. accord sanction for the transfer under rule 37. If the transferee is not willing to adopt the course

Dev.U.O
20513 J/50-1
24.4.50.

ASSISTANT SECRETARY 6402 26 APR 1950 LEGAL DEPARTMENT

or if for any other reason this course is found to be inconvenient (because the new form of lease is yet to be settled), the next best course is to ask the transferee to execute an agreement in the form at pp154-155 of the Mining Manual, with suitable modifications.

Dev

Agriculture 6402/50-1 27-4-50

37605 J/50 Dy 2845

Dev

Devt.(J).

To A.S.

(This department's notes on pp 3-4 above)

Legal Dept. notes from the bottom of p 4 above may be perused. They have suggested the following two alternative methods by which the transferee, Messrs The Prithvi Mining Syndicate may be made made binding to the conditions subject to which the mining lease was originally granted to Sri C.Krishnaswamy Iyer. The transferee may be asked, —

(i) to execute a lease deed containing the conditions specified in Rule 41(1) and any other conditions that may be required under Rule 41(2) of the Mineral Concession Rules; or

(ii) to execute an agreement in the form at pp 154-155 of the Mining Manual with suitable modifications, if the transferee is not willing to the course outlined in item (i) above.

Item (i) above: Following this procedure amounts to altering the terms and conditions governing the lease at present. Those terms vary completely with those under the new Mineral Concession Rules, 1949 and the transferee should pay rent and royalties under these new Rules only. It may also be noted that the transferee will have to pay dead-rent and royalty at enhanced rates. Under the old rules dead-rent for manganese leases is Re 1/- per acre. Now, a lessee should pay

Rs.10/- per acre. As regards the rate of royalty under old Rules, attention is invited to Sch.A in Part IV of Chapter VI at p 85 of the Mining Manual as introduced by C.S. 84/46. The present rate of royalty for manganese has been given in item (6) in Sch. I to the Mineral Concession Rules, 1949. It is therefore doubtful whether the transferee will agree to varying these terms unless there is statutory provision to that effect. The Dominion Govt. have made provision for modification of the existing leases granted before the Rules issued under the Mines & Minerals (Regulation & Devt.) Act, 1948 came into force --- vde Sec. 7 of the Act. Pending the issue of the Rules in that regard by the Union Govt, we cannot vary the terms and conditions unless the lessee himself asks for it.

The alternative method suggested in item (ii) above appears to be the most convenient method. If this method is adopted there will be no change in the terms & conditions and the transferee shall be made binding to them. The Board may be asked to forward a draft of the agreement at pp 154-155 of the Mining Manual making suitable modifications in accordance with the provisions in the new Mineral Concession Rules, 1949, if it is decided to agree to the transfer. For orders whether the transfer of the lease may be agreed to and an agreement executed as suggested in item (ii) above.

3/1.5.50 1.5.50

Having regard to the provisions of Rule 37 which governs transfer of mining leases, it does not appear that we can impose on the transferee terms less favourable than those under which the original lease was granted or terms not acceptable to that party. It is not likely that the transferee Co., will accept ~~the~~ any terms in accordance with the new rules which prescribe long & lengthy

2031/

Rates of dead rent & royalty

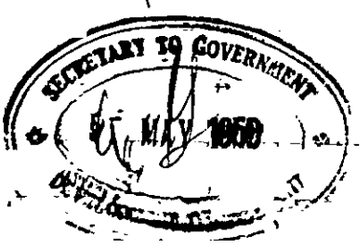
In the circumstances transfer of the lease will have to be subject to the execution of an agreement as of 1954-55 of the Mining Manual

This seems to secure observance, on part of the transferee, of the terms of lease as was originally executed by the transferor

For orders whether the transfer of the lease to M/s Bhutia Mining Co. by the present lessee will be agreed to subject to execution of this agreement by the Co may be agreed to

Dy 25/5/55

S. J. Hira (Ind)
4/5



To A.S.

(Orders in Circulation above)

A draft Order sanctioning the transfer is submd. for approval.

The particulars of the registered document by which the mining lease was granted will be available in the Board of Rev. as the original lease was granted by it. It may be asked to make any modifications which may be found necessary

(8) 2513

in the model form of agreement at pp 124-125 of the Mining Manual and forward a draft of it after entering all particulars of the lease and after making necessary entries in it the draft may be examined in consultation with Legal if necessary before Executive Engineer. A paragraph has been added to the draft order to this effect

DD 4.5.50 6.5.50.

Legal may see before Secy

8/5/50 Legal

Legal Department.

Dev. no no. 20513 J/50-2 8.5.50

Seen in Legal. The Board may be asked to get the agreement prepared by the Govt. Solicitor in this case.

42012 J/N 12/5 Dev Dept

Dev AD(J)

ASSISTANT SECRETARY 7133 9-MAY 1950 LEGAL DEPARTMENT

Dev

Draft items below has been notified in accordance with Legal Dept's note above

17 MAY 1950 FINANCIAL SECRETARY TO GOVERNMENT MADRAS

Legal u.o. No. 7133/50-1 11.5.50

Dev 12/5/50

8.5.50

(Issued as G.O.Ms.No. 1957 dated 15-5-50)